

higher interest rate charges on their indebtedness. Will there be a debate about it? No. Will it be public? Will it be a democratic system? No. It will be done in secret, just as everything else is done in secret. That is why this story talks about the FBI being called out in other circumstances to find out who leaked information about what is happening at the Fed.

Why ought it be a crime to leak information? The American people ought to have information about what is happening in monetary policy. We ought to disinfect the Federal Reserve Board by opening the doors and providing some sunlight into their process, so the American people can become, at least in some minor way, a part of the process in determining whether this country ought to have higher interest rates.

I simply want to point out how incredible this story is, written by John Berry. John Berry always writes stories from the institutional side of the Fed. I do not know, if he stepped back, six or eight paces away, he would see the absurdity of this institution which is now a dinosaur, the last remaining dinosaur in Washington operating in secret behind closed doors with those who are coming from around the country, hired by their boards of directors in the regional Fed banks—the boards of directors are local bankers—coming to Washington, DC, to make public decisions about interest rate policy that all Americans will be confronting.

This obviously commends a much longer discussion than this. But next Tuesday the Federal Reserve Board, if it is thinking straight, will decide to just say no to higher interest rates.

Inflation is down one-tenth of 1 percent, announced last week. You can almost find no inflation in this economy. It is down 5 years in a row. Unemployment is down to 5.1 percent. The models that the Federal Reserve Board use simply are not working. They have always felt you cannot have lower unemployment because lower unemployment would mean higher inflation. Now they are scratching their heads, wondering how is this happening? How is it that unemployment has come down to 5.1 percent and there is no new inflation?

If the Fed would open its doors and send some of its folks around the country to talk to real people, they will find wage earners know what the Fed has not known for the last two decades. Wage earners know wages have not been going up, they have been going down. The pressure to create more inflation from higher wages is not happening in this global economy. The global economy and circumstances of our participation in it are pushing wages down, not up. It is time the Fed changes its models or goes out and talks to real American people about this and maybe they would come to the right conclusion next Tuesday.

#### FEDERAL JUDGES

Mr. DORGAN. One point about Federal judges. We are nearing the end of

this congressional session. Some of us believe this Congress ought not adjourn until the majority party does for us what we did for them—yes, even in election years—and that is clear off the calendar and clear through the committee, judges, Federal judges that have been appointed by this President. The fact is, the record is not good. We have seen stutter-stepping and stalling. Some of us are going to decide, one of these days, nothing more is going to happen in this Senate until those many judges out there waiting for confirmation by this Senate are brought before this Senate for a vote.

#### DEFENSE POLICY AND DEFENSE SPENDING

Mr. DORGAN. Now, having said that, and there will be more discussion about that in future days, I want to turn just for a moment to the discussion we have seen on the floor of the Senate now for 45 minutes this morning.

Senators have every right to come to this floor and talk about defense policy, and the Senators who came are Senators for whom I have great respect. But I have real disagreement with those who would leverage the issue of American troops going in harm's way to the Persian Gulf this morning, leaving their loved ones because the Commander in Chief and our military people feel it is necessary to send them to the Persian Gulf. I have real concern about those who would leverage that with criticism of the President for his defense budget proposals just weeks before an election, in an obvious attempt to try to find a way to undermine President Clinton on this Senate floor. But it not only tries to pull the rug out from under President Clinton, I think it sends all the wrong signals at this moment as this country prepares to confront foreign policy initiatives that are serious.

The discussion on the floor is, "President Clinton wants to cut defense spending." Let us look at the record just for a moment. Oh, the President has cut some in defense. I will give you an example of what he cut, he and Vice President GORE. There was a 16-page regulation on how to buy cream-filled cookies at the Pentagon. They cut that. It does not take 16 pages of regulations anymore to buy cream-filled cookies because this administration said that does not make any sense. That is nuts. Let us streamline all that.

They tried to buy \$25,000 worth of ant bait to kill ants. It took them months and dozens and dozens of pages of regulations and forms. They cut that.

So, has the President wanted to cut some in defense? Yes—unnecessary regulations, unnecessary bureaucracy. It is about time. We ought to commend them for that, not criticize them.

Now, on the question of spending, what was sent to this Congress from the Defense Department? A budget. The cold war is over. The Soviet Union

does not exist. And from the height of the cold war we are now spending less than we were spending then. Does anyone in this country think that we ought to spend now as much on military preparedness and defense as we did at the very height of the cold war? Does anyone believe that? Of course not. We are not at the height of the cold war. Things have changed. Defense spending has come down some—not a great deal, but some. So what is the debate?

The debate is this. The Pentagon prepares a budget. The uniformed personnel, the service Secretaries going through the White House, they prepare a budget, send it to the Congress, and they say: Here is what we think, as an Army, Navy, a group of Marines, and the Air Force, here is what we think is necessary to defend America. Here is what we think we must build, what we must spend. Here is what we think we must accomplish to defend America.

That budget came to this Congress, giving us the best recommendations of those who wear our uniform in this country, the generals and the admirals, the service Secretaries, saying here is what we want to defend America. But when it got here it was not enough. We had folks in this Chamber saying, "You know, we think you are dead wrong. It is true we are the folks who stand up and boast every morning about how much we want to cut Federal spending, but we think you are wrong. We think, Mr. and Mrs. Pentagon, over there in that big building, we think you ought to spend \$13 billion more. We think you ought to buy more trucks, more ships, more planes, more submarines. We think you ought to spend more money because we think you are wrong."

Everybody has a right to his or her opinion on what it takes to defend this country. Everybody has a right to stand up and talk about that. I do not deny that. But I would like to talk about a couple of the specifics, because I think in many respects this has a whole lot more to do with politics than it has to do with policy. It has a whole lot more to do with elections than it has to do with the defense of this country. I want to run through just a couple of charts, because I think it is instructive on this issue.

One of the big items we have been debating is the issue of star wars. I know they do not like to call it that, but star wars. There is a proposal called the Defend America Act. Who on Earth can be opposed to defending America? The Defend America Act is to build an astrodome over America, an astrodome effect that would prevent missiles from coming in and hitting our country. We have already spent somewhere around \$99 billion on research and development on missiles. We have built one ABM site—incidentally, we built it in my State. It was declared mothballed the very month it was declared operational, after the equivalent of today's \$25 billion was spent on it. But we have people saying that it does not matter what the cost is, we need to build this.

The Congressional Budget Office says the proposal that they have been talking about here would cost up to \$60 billion to build and up to \$4 billion a year to operate. And, in a reasonable time period, would cost \$116 billion. The question is, where does that come from? Senator Dole held a press conference about it, feeling—and it was in the Washington Post—feeling this would give him an edge in the election. This can be a wedge issue. We support defending America with the star wars program, somebody else does not, so therefore we are better than they are. At the press conference he was asked:

Senator, how much do you think this is going to cost? And where is the money going to come from?

Well, I'll leave that up to the experts.

The majority leader, asked the same question:

We'll have to look at that . . . I don't have a fixed number in mind.

I will tell you what it costs, \$60 billion to build, \$4 billion a year to operate. The question is where are you going to get the money, who is going to pay for it, but, more important, do we need it? What kind of system do we need for our defense?

The reason I mention this issue is this issue happens to be one which is a very large expenditure that is proposed for which there is no proposed method of payment. It is just saying: We are for defense and the other folks are not. I happen to think the defense of this country is critically important. I think there is a lot of waste in defense. But I have been on plenty of military bases and seen men and women wearing the uniform of this country who do some wonderful things, and who sacrifice greatly for this country. They ought to have the best equipment that we can purchase for them. They ought to fly the best airplanes we can purchase. I know, despite what a lot of people say about our Defense Department, I think we have the best defense system in the world by far.

We spend far in excess of any other country or group of countries combined. If you take all the NATO countries combined and throw all their defense expenditures into one pot, they don't measure up to our knees on defense expenditures. The fact is, we spend an enormous amount of defense money, far more than any other country in the world—far more than any other country in the world—and for anyone to say somehow those men and women and the equipment we buy don't measure up, I just don't think they understand.

The controversy has not been that somebody is weak on defense. The controversy is some see defense as a jobs program. I have come to the floor and said, "Here are trucks the Pentagon said it didn't want that some insisted be built. Here are jet fighters the Pentagon didn't want to build that some in Congress insisted they build. Here are ships that the Defense Department said it didn't want to build at this point." The Congress said, "You must build."

I even found buried deep in the Defense authorization bill an authorization, I think, for \$60 million to buy blimps. No hearings, no discussion, no debate, just somebody writing in, "Let's buy blimps." Lord knows what they would buy blimps for, but buried deep in an authorization bill, "Let's buy blimps." When the Defense bill is on the floor, the sky is the limit.

So the question is not for this President or for this Congress of whether we should have a strong defense, a defense this country can count on. The President wants that, I want that, all my colleagues want that. The question is, What kind of investments and expenditures will provide a strong defense?

Did it strengthen our country to have 16 pages of regulations to buy cream-filled cookies? I don't think so. I suppose you can make the case the person hired to interpret the regulations on how to buy cream-filled cookies was defending America. It seems to me they were defending cream-filled cookies. If we streamline that and that person is now doing something more meaningful in this country's defense, doesn't that strengthen defense?

I urge you to look at what this Vice President and this President have done in the area of reinventing Government and see what they have done in the Pentagon in streamlining rules and regulations, especially with respect to purchases and acquisitions. And if you are not impressed by that, you will not be impressed by anything.

This administration deserves credit for that. The fact is, the Pentagon is one of the largest organizations on this Earth, and like every large organization in the public or private sector, it has an enormous amount of bureaucracy and fat. And this administration has tackled that.

But the administration has done more than that. This administration has also proposed directed, specific investments in weapons programs and systems that will strengthen this country, and I think it ill behooves other Members of Congress to come to this floor and try to use this issue for leverage for an election. That is what this is about. This is not about troops moving to Iraq or the Persian Gulf today. It is about an election that is held in early November. When I heard that this morning, I thought, "This needs a response. This really needs a response."

I would like to just make a couple of other points. We are often, when we discuss these issues, having to economize, as is a classic case in the field of economics. We have to try to determine what are our wants and needs and what are our resources. The wants are almost unlimited and resources are limited. How do you respond to unlimited wants with limited resources? That is true in defense, and it is true in our entire budget.

I thought it was fascinating about a year ago when I was standing at this point in the well of the Senate, and we had conflicting proposals that I

thought made it stark, as clear as it can be about priorities. We had a tiny little program called the Star Program, a tiny little program, and the proposal was, "Well, let's cut star schools 40 percent," and then a big program called star wars, "Let's increase star wars 120 percent." I can't think of anything clearer than where the priorities were for those who opposed it.

Is there a relationship between education and defense? You bet. Where do you think F-16's came from? Where do you think the stealth bombers came from? Where do you think the Patriot missile came from? It came from the product of this country's education and genius and people who invent, create, build, construct. That is where it all comes from.

My first job out of graduate school, after I got my MBA, was with the Martin Marietta Corp. I saw firsthand the marvels of engineering and the genius of invention in not only NASA but also defense programs with weapons systems. It is quite remarkable. But the Martin Marietta Corp. knew, as do most others in this country, that that starts with education.

You tell Americans that we will short change education and somehow we will be a stronger country, we will have a better defense, and most Americans will say, "No, no, you're not thinking very straight." Thomas Jefferson once said, and I have quoted this many times and I will again because it is so important, "Any country who believes it can be both ignorant and free believes in something that never was and never can be."

So my point is we are hearing now today about criticism of a President who some believe has not proposed enough money for defense. We have, in fact, a President who has proposed a defense budget that represents what the armed services believes is necessary to defend this country and that makes some very important strategic investments in new weapons programs and new systems, and I think the budget the President proposed is a good budget. In fact, if you take a look at last year's Republican budget enacted by the Senate and take a look at the President's proposed budget and go to the outyears, 2000 and 2002, you will see the President is proposing higher defense spending than those who are now criticizing him. I don't understand that either.

So, there is more to say, I guess, but we will likely hear a great deal about this and a dozen other issues where someone thinks they might be able to drive a wedge between now and election day. It is important, I think, now, however, for us to decide that as troops go to the Middle East and as we as a country try to speak with one voice about our goals, we ought to decide that debate about defense policy is perfectly appropriate for all of us. But mingling a defense policy debate at this point with the discussion about the role of our troops, I think, is not

what we ought to do here in the Senate or elsewhere.

Mr. President, Senator FEINSTEIN is here and is prepared to speak, I believe, on this and another subject. I, at this point, yield the floor, and I may use some time later in the special order.

Mrs. FEINSTEIN. I thank the Senator from North Dakota. I also thank the Chair.

I must say, I came to this floor to speak for the fifth time about methamphetamine this morning. However, I happened to hear the preceding speakers, and I really want to identify myself with the comments just made by the Senator from North Dakota.

Even on this side of the aisle, there is legitimate difference about how much should be in the defense budget. I, for one, voted for more than the President put forward in his budget. I think that is legitimate, but I also think we should talk about it, and I think we should debate it.

However, it is clear to all of us, I think, that we are engaged in a military operation. Therefore, the lives of our pilots, of our men and women in the Armed Forces, and of innocent civilians are at risk.

I think during a military operation, an attack on the President, on the very policy that is determining that operation is, frankly, ill-advised. I think it is highly partisan, I think it could put American and other lives at risk, and, frankly, I think it is just plain tacky.

So I want to say that. I would be hopeful that during a time of some national emergency—and I think this operation does qualify—we can come together as Republicans and as Democrats to support the Commander in Chief of the United States of America, who happens to be the President, whether that President is Democratic or whether that President is Republican. I pledge as a Democrat that should the President be a Republican, I would do the same, because I think it is important.

#### COMPREHENSIVE METHAMPHETAMINE CONTROL ACT OF 1996

Mrs. FEINSTEIN. Mr. President, I come here because I have spoken on this floor five times about methamphetamine. There is good news. I think it is stellar news. It is how this body can work together to solve what is a very real problem in America. I mentioned before that methamphetamine has been a major problem in the State of California. As a matter of fact, the DEA has determined that California is the "source country" for methamphetamine, much like Colombia is for cocaine. In Operation Pipeline, conducted by the DEA, 92.8 percent of all methamphetamine seized in a national drug operation actually originated in California. Hospital admissions are up, way above that for cocaine. Deaths are up. Medical costs are up. Methamphetamine has become a real problem and a national emergency.

Last June and July—that is 1995—I wrote to the Attorney General laying out the vast extent of the methamphetamine problem in California and asking her for proposals to crack down on this trade, especially on the precursor chemicals used to make methamphetamine.

Over the ensuing months, my staff and I worked with prosecutors, narcotics officers, and the California Department of Justice, in a bipartisan way, to try to develop solutions. In February of this year, Senator GRASSLEY and I, along with Senator REID, introduced the Methamphetamine Control Act of 1996. We had a bipartisan group of Senators which also included Senator KYL. Representatives FAZIO and RIGGS in the House introduced the same bill.

In April, President Clinton announced his national methamphetamine strategy adding additional measures to attack meth. In July of this year, Senators HATCH, BIDEN, GRASSLEY, and I and others introduced the bill which was passed last night, incorporating our earlier proposals. Frankly, thanks to Chairman HATCH and Senator BIDEN, I think this is a much better bill than the original bill we introduced.

I note with some interest that yesterday was Senator GRASSLEY's birthday. How nice to have a birthday and at the same time to have a bill that you worked on which passed the Senate of the United States unanimously, and which will solve a major problem out there.

This would not have happened had it not been bipartisan. It would not have happened had it not been for the chairman of the Judiciary Committee and the ranking member of that committee coming together to work on a problem. A lot of staffs were involved across the aisle. I think they worked in the best bipartisan way this body can muster to solve a real problem. That is practical.

You know, I often hear a lot about ideology around here. I have never been in a place that is more partisan than around here. Yet, the fact of the matter is, some problems take very conservative solutions, some take more innovative solutions, and most take just plain sitting down at a table and working out a solution. And that is methamphetamine.

So last night the Hatch-Biden-Feinstein-Grassley bill, known as the Methamphetamine Control Act, was passed.

Among some of the things it does is it adds seizure and forfeiture authority for precursor chemical violations.

It provides for stiff escalating civil penalties for the reckless sale of chemicals used to manufacture methamphetamine.

It gives the Attorney General the authority to shut down chemical supply houses which provide chemicals to clandestine methamphetamine manufacturers.

It provides for restitution for the cost of cleaning up clandestine methamphetamine labs, which runs about \$7,000, \$8,000 a lab.

It allows the Attorney General to require, by regulation, reporting the sales of ordinary, over-the-counter, pseudoephedrine-containing products in quantities above 24 grams. This is really important because as there are controls on ephedrine, pseudoephedrine, which goes into over-the-counter cold medication, developed as a major source for methamphetamine makers to buy. So they would go into something like a Long's drugstore that has maybe 30 feet of display space of over-the-counter cold medication and they would buy maybe 5,000 packages, everything they could get their hands on, ring it up, not have to give a name, address, a driver's license, anything, and walk out, open the packages or bottles, get children to open the blister packs, and go into their clandestine labs and make methamphetamine.

This bill cracks down on that. I have heard that Long's, for example, is interested in being part of a major education program, which is provided for in this bill, to educate people and their own retail outlets about what is happening in methamphetamine.

I am very proud to say that pharmaceutical houses, like Warner-Lambert, became solidly in support of this legislation once they understood what was actually happening with their products.

So I think this bill is a Republican win; it is a Democratic win. It is a good, strong, tough bill. Amazingly enough, 2 months before a Presidential election, on a bipartisan basis, it passed the Senate of the United States. We hope it will be marked up either today or tomorrow in the House of Representatives and we will get something done.

Mr. President, you are a Republican. I am a Democrat. I happen to think this is what the people of America sent us both here to do. So I would like to send my warm congratulations to Chairman HATCH, to Senators GRASSLEY, KYL, REID, most particularly to ranking member Senator BIDEN, whose staff worked very, very hard, and Senator HARKIN, who came aboard and was supportive early on. This is important legislation. Oh, and, Mr. President, my staff just told me, you are part of this effort as well. Let me salute you and say thank you. Californians are grateful, and I think all of America will be as well. Thank you very much.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### COMPREHENSIVE METHAMPHETAMINE CONTROL ACT OF 1996 FINDINGS

A. Methamphetamine is a very dangerous and harmful drug. It is highly addictive and is associated with permanent brain damage in long-term users.

B. The abuse of methamphetamine has increased dramatically since 1990. This increased use has led to devastating effects on individuals and the community, including: